

NCVHS RECOMMENDS CAQH CORE TO BE OPERATING RULES AUTHORIZING ENTITY FOR THE HEALTH CARE CLAIM PAYMENT AND REMITTANCE ADVICE TRANSACTION

The competition is on among organizations vying to be chosen as authoring entities for Operating Rules. Organizations that submitted proposals/testimony at last December's hearings held by the National Committee on Vital and Health Statistics (NCVHS) included the National Council for Prescription Drug Programs (NCPDP) for pharmacy ERA transactions, the Accredited Standards Committee (ASC) X12 for non-pharmacy ERA transactions and the Council for Affordable Quality Healthcare (CAQH) Committee on Operating Rules for Information Exchange (CORE) in collaboration with the National Automated Clearing House Association (NACHA).

The Patient Protection and Affordable Care Act (PPACA) requires the Secretary of Health and Human Services (HHS) to adopt operating rules for Electronic Funds Transfers (EFT) and Electronic Remittance Advice (ERA) electronic transactions. In addition, PPACA requires NCVHS is to advise the Secretary on the adoption of operating rules and operating rule authoring entities.

Based on the testimony received at the December hearings, NCVHS submitted two letters of recommendation to HHS. In a letter dated February 17, 2011, NCVHS recommended that the Secretary:

- define a health care EFT transaction and standard
- adopt the (NACHA)-standard file format for the EFT standard
- and identify NACHA as the Standards Development Organization (SDO) for the maintenance of the health care EFT standard.

In a second letter dated March 23, 2011, NCVHS recommended that the Secretary:

- name CAQH CORE in collaboration with NACHA as the candidate authoring entity for operating rules for all health care EFT and ERA transactions (provided that CAQH CORE fully vetted operating rules for consideration by the committee are submitted to NCVHS by August 1, 2011),
- require CAQH CORE to establish direct communication with X12, NCPDP, HL7, and other SDOs to ensure the operating rules are developed through a multi-stakeholder consensus-driven process,
- call on X12, NCPDP, HL7, and other SDOs to provide timely input and feedback to the operating rules to be developed for EFT and ERA transactions,
- refine the scope, focus, and limitations between operating rules and standards, and define a framework for how operating rules that will relate to standards in the future;
- and require that CAQH CORE identify more effective means to engage in provider participation.

Although ASC X12 was not among NCVHS's recommendations to be an Operating Rule Entity, they disseminated a *Type 2 Technical Report (TR2) for the Health Care Claim Payment/Advice Reference Model* for industry review and comment. The report contained operating rules developed by the X12N Operating Rules Committee, within the Insurance Subcommittee (ASC X12N) of the Accredited Standards Committee X12 (ASC X12). The committee and the associated TR2 document were specifically created to address the requirements set forth in the PPACA regarding operating rules.

While it remains to be seen, which standards and organization(s) will be named by the Secretary, PPACA requires an EFT standard to be adopted by January 1, 2012 and operating rules to be adopted for the EFT and ERA standards no later than July 1, 2012 with a compliance date of January 1, 2014.

To view the letter NCVHS submitted to HHS on February 17, 2011 please [click here](#).

To view the NCVHS letter submitted to HHS on March 23, 2011 please [click here](#).

To download the ASC X12 TR2 Health Care Claim Payment/Advice Reference Model, [please click here](#).

Please send any comments and questions to HIPAAATCSIMail@tma.osd.mil